APPROVED FOR RELEASE
DATE: 09-Jun-2009

~~CONFIDENTIAL~~

F. B. Q.

MAPLE AVENUE
BELLMORE, L. I.
NEW YORK

July 7 1942

SUBJECT: Report on Purposes and Finances of FBQ Co Inc and OSS Radio Activity

TO: Lieut Col J. Preston Goodfellow

1. Pursuant to letters of instructions and various changes and revisions made verbally, I have set up for the COI, now the OSS, two basic installations which will be the key in the United States to the world wide OSS communication system. Its Intelligence Section, Code and Cipher Section and other departments have been organized only for the proper functioning and maintenance of this OSS Communication System and for its maximum security and efficiency and for no other purpose. The organization, purchases and commitments have all been made in accordance with good business and sound judgment and pursuant to an estimate submitted on April 2 1942 to include both sending and receiving facilities, and also the proper Engineer, Intelligence and Code and Cipher personnel to assure efficiency and the security of the system and that only.

2. All money for salaries and petty cash was placed from the beginning in the hands of Mr Latson in New York City and payments made by Miss Dockerey so that I have no records on these.

3. As far as the finances and commitments on technical equipment which I am charged with, the following is a report on expenditures as of July 1 1942:

Materials			$94,939.00
Labor			4,713.00
(a) Hourly	$1,980)		
(b) Salaried	2,733)		
Engineering			4,116.00
		Total	$103,768.00

I have an itemized list which I am ready to submit on request on every piece of equipment down to each nut and bolt. Also I have the breakdown on the Labor and Engineering.

4. I have in my possession (secret) master plans, drawings, blue prints, etc, on the complete installation both at Bellmore and North Hollywood, showing that not only is every present problem taken care of but that steps have been taken technically for every contingency for the future extension of both receiving and transmission with regard to the OSS Communication System, plus the study of the radio spectrum necessary to assure that system.

5. So that no one will get excited following are the functions of the two sections which some people are so concerned with and that we are fortunate in having efficiently manned:

a. The Code and Cipher Section is for the creation, development, recording, maintenance, study and constant improvement of security systems which will save lives and secure OSS Communication